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Independent System Operator

Deliverability Test Methodology Proposed Tariff Changes

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March 3, 2026

Agenda

- Background & Overview
- Challenges, Proposals and Associate Tariff Revisions
- Timeline/Next Steps

Updates from the 2/19/2026 TPAS/ESPWG presentation and discussion points for today's meeting are noted in red.

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Background & Overview

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Background re: Deliverability Test

- Resources must have Capacity Resource Interconnection Service (CRIS) to participate in the NYISO's Installed Capacity market.
- To obtain CRIS, resources are subject to a deliverability test unless excepted from these requirements due to project size (< 2MW).
- The objective of the deliverability test is to determine whether a proposed project is deliverable at its requested CRIS MW throughout the Capacity Region where it is interconnecting.

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Background re: Deliverability Test, cont.

- If deemed undeliverable, System Deliverability Upgrades (SDU) are identified and cost allocated to the resource.
- For a resource requiring SDUs to become an Installed Capacity Supplier, or receive Unforced Capacity Deliverability Rights or External-to-ROS Deliverability Rights, the Interconnection Customer must have paid cash or posted Security for any required SDUs in accordance with the rules in OATT Attachment HH.

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Deliverability Test Overview

- Depending on the Capacity Region where the proposed Projects are located, Projects will be subject to the following deliverability tests:
  - Highway Deliverability Test and/or Byway Deliverability Test,
  - Highway No Harm Test, and
  - Other Interface No Harm Test

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Previous Presentations

- October 30, 2025, TPAS/ESPWG (Presentation)
  - Deliverability Test Methodology
- December 3, 2025, TPAS/ESPWG (Presentation)
  - Deliverability Test Methodology Challenges
- January 5, 2026, TPAS/ESPWG (Presentation)
  - Deliverability Test Methodology Considerations
- January 20, 2026, TPAS/ESPWG (Presentation)
  - Deliverability Test Methodology Change Proposals
- February 19, 2026, TPAS/ESPWG (Presentation)
  - Deliverability Test Methodology Proposed Tariff Changes

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Challenges, Proposal, and Associated Tariff Revisions

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Base Case Setup

- Challenge:
  - Current generation dispatch methodology for building the deliverability base case could lead to potential non-compliance with tariff obligations and unnecessary upgrades, affecting both update and downstate generation
- Proposal:
  - Levelize all generation dispatch across the state on a pro rata basis regardless of project location and vintage
    - See proposed revisions to Attachment HH, Sections 40.13.8.2.1.1, 40.13.8.2.1.11, 40.13.8.2.2.1, and 40.13.8.2.2.11

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UCAP Deration Factor

- Challenge:
  - Apply the same derated factor for Energy Storage Resources (ESRs) as non-Intermittent Power Resources, i.e., conventional generation, could result in an unrealistically high UCAP modeling assumption for ESR
- Proposal:
  - Use the well-established method from the System & Resource Outlook to determine ESR derated factors dynamically within each Cluster Study to better reflect ESR capacity value represented in the resource adequacy models
    - See proposed revisions to Attachment HH, Sections 40.13.8.2.1.3 and 40.13.8.2.2.2

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Highway Deliverability Test

- Challenge:
  - Evaluate zonal interfaces within Capacity Region by comparing upstream generation surplus to interface transfer limits without regard for how much power may need to flow to serve downstream demand
- Proposal:
  - Incorporate downstream load into the test, thereby assessing the necessary transfer capability based on actual demand rather than just interface limits, thus aligning the test methodology with resource adequacy model principles
    - See proposed revisions to Attachment HH, Sections 40.13.8.2.1.13 and 40.13.8.2.2.13

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Internal “Other Interface” No Harm Test

- Challenge:
  - One-prong criteria, e.g., impact to calculated transfer limits beyond certain thresholds, applying to test whether projects fail the internal “Other Interface” no harm test
- Proposal:
  - Apply two-prong test, e.g., (1) impact to calculated transfer limits beyond certain thresholds and (2) impact to loss-of-load expectation (LOLE), to determine if projects fails both tests, then SDU are required, and thus aligning the test criteria to be consistent with the test criteria applying for Highway no harm test for interfaces within New York Control Area
    - See proposed revisions to Attachment HH, Section 40.13.9

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Clean Up/Ministerial Edits

- Attachment HH, Section 40.1 (minor incremental edit)
- Attachment HH, Section 40.9.7.1
- Attachment HH, Section 40.13.2
- Attachment HH, Section 40.13.4
- Attachment HH, Section 40.13.6 (minor incremental edit)
- Attachment HH, Section 40.13.8.1
- Attachment HH, Section 40.13.8.2.2.14
- MST, Section 5.12.2.2

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Next Steps

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Target Schedule

- **January - March 2026:** Refine and review proposed deliverability methodologies and tariff revisions with stakeholders
- **March 2026:** Stakeholder Approvals
- **April 2026:** Board Approval
- **April/May 2026**: FERC 205 Filing (NYISO anticipates requesting an effective date 61 days from filing date)
- **By Late July 2026:** FERC Order
- **August 2026:** Anticipated Start of Next Cluster Study and Transition Cluster Study Final Decision Period

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Questions?

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Our Mission and Vision

Mission

Ensure power system reliability and competitive markets for New York in a clean energy future

Vision

Working together with stakeholders to build the cleanest, most reliable electric system in the nation

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